



West Virginia Parkways Authority
REQUEST FOR PROPOSALS

Sealed proposals will be received by the West Virginia Parkways Authority for:

ANNUAL AUDIT SERVICES

Proposals will be received at the office of the West Virginia Parkways Authority, Administration Building, Charleston, West Virginia until 2:00 PM April 7, 2016, at which time and place said proposals will be publicly opened. The separate cost portion of the proposal will be opened at 2:00 PM April 15, 2016 after the technical evaluation of the proposals has been completed. If proposals are to be mailed via the U.S. Postal Service regular mail, they must be addressed to the West Virginia Parkways Authority, P.O. Box 1469, Charleston, WV 25325. This mail is picked up by the Authority once a day between 7:00 AM and 8:00 AM. However, Express Mail One Day Service, Federal Express, United Parcel Service (UPS), etc., must be sent to the West Virginia Parkways Authority, 3310 Piedmont Road, Charleston, WV 25306.

It shall be the bidder's responsibility to determine his transmittal method such that his bid will arrive in the Authority's office prior to the scheduled bid opening. Bids received in the Authority's office after the scheduled opening will be returned to the bidder unopened.

Proposals must be made upon the forms furnished by the Authority in the manner designated in the specifications, and must be enclosed in sealed envelopes bearing the name and address of the bidder and the number of the contract

Pursuant to Bureau of Employment Programs (BEP) Rule 96 C.S.R.1 Implementation Rule dated June 30, 2000, Contractors requesting plans must furnish their FEIN Number, company name and any name they are doing business as. Firms listed in the BEP Default Directory will not be issued Bidding Documents.

The Authority reserves the right to reject any and all Proposals submitted, and to waive any or all formalities in bidding, as it may deem in its best interest.

The Authority strongly encourages Minority Owned and Women Owned businesses to submit proposals for this contract.

The WVPA is an Equal Opportunity Employer. All firms submitting proposals must certify that they practice Equal Employment Opportunities.

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**West Virginia Parkways Authority
(The “Authority”)**

Request for Proposals

Annual Audit Services

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West Virginia Parkways Authority
REQUEST FOR PROPOSALS
Annual Audit Services

SECTION ONE: GENERAL INFORMATION

- 1.1 Purpose: The West Virginia Parkways Authority (the “Authority”) is soliciting proposals pursuant to West Virginia Code §5A-3-10b for the performance of annual financial audit and related services for the Authority by qualified independent certified public accountants for a period of three consecutive years beginning with fiscal year ending June 30, 2016. The annual audit proposed shall be made in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and any other applicable laws and regulations. The Authority’s most recent financial statements are posted on the Authority’s website at: <http://www.transportation.wv.gov/turnpike/Pages/FinancialStatements.aspx>.

- 1.2 By signing and submitting its proposal, the successful Vendor agrees to be bound by all the terms contained in this RFP.

A Request for Proposal (RFP) is generally used for the procurement of services in situations where price is not the sole determining factor and the award will be based on a combination of cost and technical factors (Best Value). Through its proposal, the bidder offers a solution to the objectives, problem, or need specified in the RFP, and defines how it intends to meet (or exceed) the RFP requirements.

- 1.2.1 Compliance with Laws and Regulations: The Vendor shall procure all necessary permits and licenses to comply with all applicable Federal, State, or municipal laws, along with all regulations, and ordinances of any regulating body.

The Vendor shall pay any applicable sales, use or personal property taxes arising out of this contract and the transactions contemplated thereby. Any other taxes levied upon this contract shall be borne by the Vendor. It is clearly understood that the State of West Virginia is exempt from any taxes regarding performance of the scope of work of this contract.

- 1.3 Schedule of Events

Official RFP release	03/11/16
Deadline for written questions	4:00 p.m. 03/24/16
Written responses to questions and/or addendum issued	03/31/16
Proposals due	2:00 PM 04/7/16
Evaluation of proposals by (estimated).....	04/14/16
Opening of cost portion	2:00 PM 04/15/16
Firm selection and announcement of contract award (estimated)	05/05/16

- 1.4 Pre-bid Conference: The Authority has elected to **not** require a pre-bid conference. Inquiries will be answered in accordance with the provisions of Section 1.5 below.
- 1.5 **Inquiries:** Inquiries regarding specifications of this RFP must be submitted in writing to the Authority with the exception of questions regarding the proposal submission which may be oral. The deadline for written inquiries is identified in the Schedule of Events, Section 1.3. All inquiries of specification clarification must be addressed to:

Margaret Vickers, Director of Purchasing
West Virginia Parkways Authority
Fax: (304) 926-1909
Via email: mvickers@wvturnpike.com

No contact between the Vendor and any member of the evaluation committee is permitted. Violation may result in rejection of the bid. The individual named above is the sole contact for any and all inquiries after this RFP has been released.

- 1.6 **Verbal Communication:** Any verbal communication between the Vendor and any Authority personnel is **not** binding. Only information issued in writing and added to the RFP specifications by an official written addendum are binding.
- 1.7 **Addenda:** If it becomes necessary to revise any part of this RFP, an official written addendum will be issued by the Purchasing Department.

SECTION TWO: PROJECT SPECIFICATIONS

- 2.1 **Location:** The Authority's Headquarters are located at 3310 Piedmont Road, Charleston, WV. The firm's principal contact person will be Parrish French, Director of Finance.
- 2.2 **Background and Current Operating Environment:**
The Authority, a component unit of the State of West Virginia (the "State"), was created by an act of the West Virginia Legislature effective June 1, 1989 (as amended, the "Act") as the successor in interest to the West Virginia Turnpike Commission (the "Turnpike Commission"). Under the Act, all the duties, assets, liabilities and employees of the Turnpike Commission were transferred to the Authority. The Authority has the power to enact and amend its own operating budget. It receives no appropriations from the State and is not subject to state statutory budget controls.

The Authority operates the West Virginia Turnpike, an 88-mile toll roadway located between Charleston and Princeton, West Virginia. The Turnpike carries the designation of I-77 for its entire length; and I-64 from Charleston to the interchange south of Beckley.

The Turnpike uses an "open" toll barrier system with three main-line toll barriers located between Charleston and Princeton. All entrance-exit ramps are toll-free except for the US Route 19 interchange where the Authority also maintains a toll barrier facility. The Authority is currently upgrading its toll revenue operating and accounting systems. Upon completion, toll patrons will be able to utilize the web to monitor and update their

accounts. The Turnpike also operates travel plazas that provide services such as restaurant, fuel and rest facilities.

The Authority's toll revenues are restricted by the Indenture of Trust dated February 15, 1993, as amended and supplemented, by and between the Authority and United Bank, Inc. (as trustee) and by the Tri-Partite Agreement of 1988 by and between the Federal Highways Administration, the West Virginia Department of Highways, and the Authority, which **mandates that toll revenues will be used strictly for Turnpike operations, maintenance (including resurfacing, reconstruction, rehabilitation and restoration) and for payment of debt service.**

Prior to July 1, 2010, the Authority had an economic development and tourism division. Originally created as part this division, the Authority continues to operate the Caperton Center located at Exit 45 off the Turnpike featuring "Tamarack, the Best of West Virginia". **No Turnpike toll revenues are used to operate the Caperton Center and Tamarack. Instead, in addition to revenues generated by the facility, concession revenues and other non-toll revenues are used to supplement the facility and its mission.**

2.3 Project and Goals: The project goals and objectives are:

2.3.1 Scope of Work: The West Virginia Parkways Authority (the "Authority") is soliciting proposals pursuant to West Virginia Code §5A-3-10b for the performance of annual financial audit and related services for the Authority by qualified independent certified public accountants for a period of three one-year periods beginning with the fiscal year ending June 30, 2016, with an option of two (2) consecutive one-year renewals. Engagement letters, complying in all respects to the terms and conditions set forth in this RFP and the purchase order/contract issued by the Authority shall be completed for each audit year.

The annual audit proposed shall be made in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and any other applicable laws and regulations. These accounting standards provide for certain required supplementary information to accompany the Authority's basic financial statements which require the auditor to perform certain limited procedures that generally do not require an opinion.

In order to assist the Financial Accounting and Reporting Sections (FARS) of the WV Department of Administration, the successful firm will be required to review and complete the required GAAP Reporting Forms (Closing Book Forms) for the Authority. The required additional schedules will be subjected to the auditing procedures applied in the audit of the financial statements.

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Authority its Certificate of Achievement for Excellence in Financial Reporting for its comprehensive annual financial report for each of

the 25 years through the period ended June 30, 2014. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, the content of which must conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. In conjunction with the annual audit, the auditor assists the Authority in complying with these standards and submitting its report to the GFOA.

The audit firm will provide a management letter identifying any weaknesses in internal control discovered as a result of audit work performed. The audit firm will also follow up on prior audit findings and perform procedures to assess the reasonableness of the summary schedule of prior audit findings and report when the audit firm concludes that the summary schedule materially misrepresents the status of any prior audit finding. The firm shall present the audit findings and reports to the Authority during a regularly scheduled meeting as soon as practicable following issuance of the final audit report.

All work under the proposed contract will be under the direction of the Authority. Written reports must be submitted initially in draft form in order that any necessary changes may be discussed and agreed upon before final acceptance. Any public statements that may be required must be discussed with the Authority prior to the statements being made or released.

Suggested timetable for completion of audit is provided in Appendix B.

2.3.2 Irregularities and illegal acts: The firm shall be required to give to the Finance Committee and General Manager a written report of all irregularities and illegal acts which become known to the firm.

2.3.3. Reports to Be Issued: As required by the Indenture of Trust dated February 15, 1993 as supplemented and the Tri-Partite Agreement dated December 3, 1988, the services required by this RFP must include the following reports. Bound copies and PDF versions will be required.

1. Financial audit reports (as required under subparagraph 2.4.1) including a statement as to whether the Basic Financial Statements in the Authority's CAFR present fairly the Authority's financial position and results of financial operations in conformity with generally accepted accounting principles.
2. Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
3. **Comprehensive Annual Financial Report:** The Authority has completed a CAFR every year since 1989. The Director of Finance is primarily responsible for the preparation of the CAFR. Information reported in the CAFR comes from a variety of sources.

2.3.4 Working Paper Retention and Access to Working Papers: All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years after the issuance of all reports, unless the firm is notified in writing by the Authority of the need to extend the retention period. The firm will be required to make working papers available, upon request, to the representatives of the federal cognizant agency, other government audit staff, the Government Accounting Office and the Authority.

In accordance with Statement on Auditing Standards Number 84, the Authority intends to request that the predecessor firm respond to reasonable inquiries of the successor auditor and allow access to review working papers on matters of continuing significance. The Authority's work papers and copies of audited reports are available upon request.

SECTION THREE: VENDOR PROPOSAL

3.1 Economy of Preparation: Proposals should be prepared simply and economically providing a straightforward, concise description of the Vendor's abilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of the content.

3.2 Incurring Cost: Neither the State nor any of its employees or officers shall be held liable for any expenses incurred by any Vendor responding to this RFP, including but not limited to preparation, delivery, or travel.

3.3 Proposal Format:

3.3.1 Proposals should be prepared following the order and numbering sequence of this RFP. Questions should be repeated in the text of the proposal and answered concisely.

3.3.2 Proposals should be limited to no more than 50 pages, printed on 8.5" X 11" paper and bound in a three ring loose-leaf binder. Additional material may be submitted separately as exhibits and may be included in the same binder following the main proposal. The proposals and exhibits must be graphically reproducible.

3.3.3 Please submit an original and three copies of the proposal. Also, please submit one complete copy of the proposal, including exhibits electronically.

3.3.4 The proposal should contain the following:

1. A general statement of organization and qualifications of the Audit Firm, including the status of the Audit Firm within the public accounting profession, and the status of any adverse legal action that may jeopardize the Audit Firm's long-term viability. Provide results of the Audit Firm's most recent peer review (under PCAOB and/or AICPA Peer Review Program).
2. A statement of related experience in auditing financial statements for toll operations or other governmental organizations, programs, activities, or functions especially special purpose governments engaged in business type activities.

3. A brief overview of the Audit Firm's audit philosophy and approach to the engagement for the following:
 - a. How the partner-in-charge will take an active role in the audits to ensure that individuals with the necessary expertise and experience will be assigned to the audits at the appropriate point to achieve timely completion;
 - b. Provide a proposed schedule and audit plan with specific dates shown to ensure completion of the audit and required reports within the time limits stated above;
 - c. Your firm's approach in resolving disputes with management over significant accounting and service issues;
 - d. Internal controls, risk assessment and management letters;
 - e. Your firm's policies on partner rotation (both engagement and review partners); and
 - f. Your transition plan to ensure a smooth and effective transition from our current audit firm.
4. Identification and statement of qualifications of individuals within the Audit Firm and local firms (if any) to be assigned direct responsibility for the engagement. Describe the experience that key personnel have and the type and extent of training your firm provides its staff in the field of governmental auditing, as well as other relevant audit skills.
5. The names, telephone numbers and mailing addresses of at least three audit clients and the contact person from whom references may be obtained for both the firm and the key personnel assigned to the engagement. References should be from clients comparable to the type and scope of services solicited in this RFP.
6. **In a separate sealed envelope**, provide the maximum fee, including all expenses, on the Fee Proposal Form, Appendix C.

Vendors should provide responses in the format listed below:

- i. Title Page showing: the RFP's subject; the firm's name and business address, the name, address, telephone number and e-mail address of a contact person; and the Vendor's signature and date of the proposal.
- ii. Table of Contents: Clearly identify the material by section and page number.
- iii. Detailed Proposal

The detailed proposal should follow the order set forth in Section 3.3.4 above.

3.4 Proposal Submission: Proposals must be received in two distinct parts: technical and cost.

- Technical proposals must **not** contain any cost information relating to the project.
- Cost proposal shall be sealed in a separate envelope and will **not** be opened initially.

All proposals must be submitted to the Purchasing Department prior to the date and time stipulated in the RFP as the opening date. All bids will be dated and time stamped to verify official time and date of receipt.

3.4.1 Vendors should allow sufficient time for delivery. In accordance with West Virginia Code §5A-3-11, the Purchasing Department cannot waive or excuse late receipt of a proposal, which is delayed or late for any reason. Any proposal received after the bid opening date and time will be immediately disqualified in accordance with State law.

Vendors shall submit one original technical and cost proposal plus 3 convenience copies to:

West Virginia Parkways Authority
Attn: Purchasing Department
3310 Piedmont Rd
Charleston, WV 25306
Annual Audit Services

The outside of the envelope or package(s) for both the technical and the cost should be clearly marked.

AUDIT SERVICES BID PROPOSAL

- 3.5 Purchasing Affidavit: West Virginia Code §5A-3-10a requires that all bidders submit an affidavit regarding any debt owed to the State. The affidavit must be signed and submitted prior to award. It is preferred that the affidavit be submitted with the proposal.
- 3.6 Resident Vendor Preference: In accordance with West Virginia Code §5A-3-37, Vendors may make application for Resident Vendor Preference. Said application must be made on the attached Resident Vendor Certification form at the time of proposal submission.
- 3.7 Technical Bid Opening: The Purchasing Department will open and announce only the technical proposals received prior to the date and time specified in the Request for Proposal. The technical proposals shall then be provided to the Authority evaluation committee.
- 3.8 Cost Bid Opening: The Purchasing Department shall schedule a date and time to publicly open and announce cost proposals once the Authority evaluation committee has completed the technical evaluation and it has been approved by the Purchasing Department.

SECTION FOUR: EVALUATION AND AWARD

- 4.1 Evaluation Process: A committee of three (3) or more individuals will evaluate Proposals against the established criteria with points deducted for deficiencies. The Vendor who demonstrates that they meet all of the mandatory specifications required; and has appropriately presented within their written response and/or during the oral demonstration (if applicable) their understanding in meeting the goals and objectives of the project; and attains the highest overall point score of all Vendors shall be awarded the contract. The selection of the successful Vendor will be made by a consensus of the evaluation committee.
- 4.2 Evaluation Criteria: All evaluation criteria is defined in the specifications section and based on a 100-point total score. An example score sheet is provided in Appendix B.

The following are the evaluation factors and maximum points possible for technical and cost point scores:

	<u>Points Possible</u>
Qualifications of firm.....	10
Relative experience of firm.....	20
Audit approach/philosophy	15
Qualifications of staff	15
References/depth of client base	10
Cost	30
Total points possible	100

Each cost proposal cost will be scored by use of the following formula for all Vendors who attained the minimum acceptable score:

Lowest price of all proposals divided by price of proposal being evaluated
multiplied by cost points possible (30) equals price score.

- 4.2.1 Technical Evaluation: The evaluation committee will review the technical proposals, deduct points where appropriate, and make a final written recommendation to the Authority.
- 4.2.2 Minimum Acceptable Score: Vendors must score a minimum of 70% (49 points) of the total technical points possible. All Vendors not attaining the minimum acceptable score shall be disqualified and removed from further consideration.
- 4.2.3 Cost Evaluation: The Authority evaluation committee will review the cost proposals, assign appropriate points, and make a final recommendation to the Purchasing Department.

- 4.3 Independent Price Determination: A proposal will not be considered for award if the price in the proposal was not arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to prices with any competitor unless the proposal is submitted as a joint venture.
- 4.4 Rejection of Proposals: The Authority reserves the right to accept or reject any or all proposals, in part or in whole at its discretion. The Authority further reserves the right to withdraw this RFP at any time and for any reason. Submission of or receipt of proposals by the Authority confers no rights upon the bidder nor obligates the Authority in any manner.
- 4.5 Vendor Registration: Vendors participating in this process should complete and file a Vendor Registration and Disclosure Statement (Form WV-1) and remit the registration fee. Vendor is not required to be a registered Vendor in order to submit a proposal, but the successful bidder must register and pay the fee prior to the award of an actual purchase order or contract.

SECTION FIVE: CONTRACT TERMS AND CONDITIONS

- 5.1 Contract Provisions: The RFP and the Vendor's response will be incorporated into the contract by reference. The order of precedence shall be the contract, the RFP and any addendum, and the vendor's proposal in response to the RFP.
- 5.2 Public Record: All documents submitted to the Authority related to purchase orders or contracts are considered public records. All bids, proposals, or offers submitted by Vendors shall become public information and are available for inspection during normal official business hours at the Authority's Purchasing Department offices after the bid opening.
 - 5.2.1 Risk of Disclosure: The only exemptions to disclosure of information are listed in West Virginia Code §29B-1-4. Any information considered a trade secret must be separated from the Vendor submission and clearly labeled as such. Primarily, only trade secrets, as submitted by a bidder, are exempt from public disclosure. The submission of any information to the State by a Vendor puts the risk of disclosure on the Vendor. The State does not guarantee non-disclosure of any information to the public.
 - 5.2.2 Written Release of Information: All public information may be released with or without a Freedom of Information request; however, only a written request will be acted upon with duplication fees paid in advance. Duplication fees shall apply to all requests for copies of any document. Currently, the fees are 50 cents per page, or a minimum of \$10.00 per request, whichever is greater.
- 5.3 Conflict of Interest: Vendor affirms that neither it nor its representatives have any interest nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Authority.

- 5.4 Vendor Relationship: The relationship of the Vendor and the Authority shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents.

Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this RFP and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the Authority for any purpose whatsoever.

Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, licensing fees, et cetera and the filing of all necessary documents, forms and returns pertinent to all of the foregoing.

Vendor shall hold harmless the State, and shall provide the State and Authority with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

The Vendor shall not assign, convey, transfer, or delegate any of its responsibilities and obligations under this contract to any person, corporation, partnership, association, or entity without expressed written consent of the Authority.

5.4.1 Subcontracts/Joint Ventures; The Vendor may, with the prior written consent of the Authority, enter into subcontracts for performance of work under this contract.

5.4.2 Indemnification: The Vendor agrees to indemnify, defend, and hold harmless the State and the Authority, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the contract in a manner not authorized by the contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage laws.

5.4.3 Governing Law: The laws of the State of West Virginia shall govern this contract. The Vendor further agrees to comply with the Civil Rights Act of 1964 and all other applicable laws and regulations as provided by Federal, State, and local governments.

- 5.5. Term of Contract and Renewals: This contract will be effective upon award and shall extend for three (3) one-year periods (with separate engagement letters for each year), at which time the contract may, upon mutual consent, be renewed. There are a maximum of two (2) one-year renewals, or until such reasonable time thereafter as is necessary to

obtain a new contract. The “reasonable time” period shall not exceed twelve (12) months. During the “reasonable time” period, Vendor may terminate the contract for any reason upon giving the Authority ninety (90) days written notice. Notice by Vendor of intent to terminate will not relieve Vendor of the obligation to continue providing services pursuant to the terms of the contract.

- 5.6 Changes: If changes to the contract become necessary, a formal contract change order will be negotiated by the Authority and the Vendor.

As soon as possible, but not to surpass thirty (30) days after receipt of a written change request from the Authority, the Vendor shall determine if there is an impact on price with the change requested and provide the Authority a written Statement identifying any price impact on the contract. The Vendor shall provide a description of any price change associated with the implementation.

THE VENDOR SHALL IMPLEMENT NO CHANGES UNTIL SUCH TIME AS THE VENDOR RECEIVES AN APPROVED WRITTEN CHANGE ORDER FROM THE AUTHORITY.

- 5.7 Price Quotations: The price(s) quoted in the Vendor’s proposal will not be subject to any increase and will be considered firm for the life of the contract unless specific provisions have been provided in the original specifications.
- 5.8 Invoices and Progress Payments: The Vendor shall submit invoices, in arrears, to the Authority at the address on the face of the purchase orders labeled “Invoice To.” Progress payments may be made at the option of the Authority on the basis of percentage of work completed if so defined in the final contract.
- 5.9 Liquidated Damages: According to West Virginia Code §5A-3-4(8), Vendor agrees that liquidated damages shall be imposed at the rate of \$ (per day, per week, per unit, or some other agreed measure) for failure to provide (deliverables, meet milestones identified to keep the project on target, or failure to meet specified deadlines). This clause shall in no way be considered exclusive and shall not limit the State or Authority’s right to pursue any other additional remedy which the State or Authority may have legal cause for action.
- 5.10 Contract Termination: The Authority may terminate any contract resulting from this RFP immediately at any time the Vendor fails to carry out its responsibilities or to make substantial progress under the terms of this RFP and resulting contract. The Authority shall provide the Vendor with advance notice of performance conditions that may endanger the contract’s continuation. If after such notice the Vendor fails to remedy the conditions within the established timeframe, the Authority shall order the Vendor to cease any and all work immediately. The State shall be obligated only for services rendered and accepted prior to the date of the notice of termination.

The contract may be terminated by the State with thirty (30) days prior notice pursuant to West Virginia Code of State Rules §148-1-7.16.2.

5.11 Special Terms and Conditions:

5.11.1 Bid and Performance Bonds – not required.

5.11.2 Insurance Requirements: (Insurance certificates are required prior to award, but are not required at the time of bid).

- Public liability
- Property damage
- Professional liability

5.11.3 License Requirement:

- Certified Public Accountant

5.11.4 Protest Bond: Any bidder that files a protest of an award shall at the time of filing the protest submit a protest bond in the amount equal to one percent of the lowest bid submitted or \$5,000, whichever is greater.

The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to the purpose of harassing, causing unnecessary delay, or needless expense for the Authority. All protest bonds shall be made payable to the Authority and shall be signed by the protester and the surety. In lieu of a bond, the protester may submit a cashier's check or bank money order payable to the Authority. The money will be held in trust.

If it is determined that the protest has not been filed for frivolous or improper purpose, the bond shall be returned in its entirety.

5.12 Record Retention (Access and Confidentiality): Vendor shall comply with all applicable Federal and State rules, regulations, and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered under this contract by the Vendor. The Vendor shall maintain such records a minimum of five (5) years and make such records available to Authority personnel at the Vendor's location during normal business hours upon written request by the Authority within ten (10) days after receipt of the request.

Vendor shall have access to private and confidential data maintained by the Authority to the extent required for the Vendor to carry out the duties and responsibilities defined in this contract. Vendor agrees to maintain confidentiality and security of the data made available and shall indemnify and hold harmless the State and the Authority against any and all claims brought by any party attributed to actions of breach of confidentiality by the Vendor, subcontractors, or individuals permitted access by the Vendor.

APPENDIX A

WEST VIRGINIA PARKWAYS AUTHORITY

ESTIMATED TIMETABLE FOR COMPLETION OF AUDIT

Required Submission/ Event	Estimated Required Completion/Submission Dates
Entrance Conference	Within three (3) weeks of award of contract
GAAP/Single Audit Closing Book Process Training - FARS	Date has not been announced
Any interim work must be completed	June 30, 2016
Detailed Audit Plan	July 15, 2016
Field Work to begin (No Later Than) - CAFR	August 22, 2016 October 3, 2016
Draft Financial Statements (FARS)	September 15, 2016
Final Financial Statements (FARS)	October 15, 2016
Audit Report Due to Trustee	October 31, 2016
Draft CAFR Audit Report	November 30, 2016
Final CAFR audit report	December 15, 2016

Appendix B
Audit Firm Selection Criteria

Firm: _____

1. Qualification of firm

- a. Status within public accounting profession (examples of leadership in the industry)
- b. Status of any adverse legal action against the firm
- c. Results of most recent peer review (under PCOAB and/or AICPA Peer Review Program)

Criteria					
Poor	Marginal	Acceptable	Good	Outstanding	Score Max
1	3	5	7	10	10

2. Relevant experience of firm

- a. Auditing financial statements of governments
- b. Preparation of Comprehensive Annual Financial Reports (GFOA)

Criteria					
Poor	Marginal	Acceptable	Good	Outstanding	Score Max
1-3	4-7	8-11	12-15	16-20	20

3. Audit approach/philosophy

- a. Firm's approach to engagement
- b. Role of partner-in-charge and assignment of appropriate personnel to audits
- c. Proposed schedule and audit plan with dates
- d. Firm's audit philosophy and approach regarding:
 - Meeting schedules - past audits completed
 - ✓ timely
 - ✓ Internal controls
 - ✓ Risk assessment
 - ✓ Management letters
 - ✓ Resolution of disputes over significant accounting and service issues with management
 - ✓ Transition policy

Criteria					
Poor	Marginal	Acceptable	Good	Outstanding	Score Max
1-3	4-6	7-9	10-12	13-15	15

4. **Qualification of staff**

- a. Qualifications of key people (engagement partner, reviewing partner, audit manager)
- b. Experience of key people in government auditing
- c. Type and extent of training firm provides its staff

Criteria					
Poor	Marginal	Acceptable	Good	Outstanding	Score Max
1-3	4-6	7-9	10-12	13-15	15

5. **References/depth of client base**

- a. References of three governmental clients
- b. References for key personnel
- c. Caliber of governmental clients

Criteria					
Poor	Marginal	Acceptable	Good	Outstanding	Score Max
1	3	5	7	10	10

Technical evaluation: Each proposal will be independently evaluated on Criteria 1 through 5 by three or more qualified individuals. Their raw scores will be averaged to obtain a composite raw score. This composite raw score will then be converted to a true score by using the following formula:

Composite raw score of this proposal

Highest composite raw score of all proposals

X 70 = Technical Score

Fee Evaluation: Each proposed contract price will be evaluated by use of the following formula:

Lowest total fee of all proposals

Total fee of proposal being evaluated

X 30 = Fee Score

Consolidation: After the technical and price evaluation have been performed the two scores will be added together to reach the final score for each proposal.

Technical score + Fee score = Total score

Person(s) performing evaluation:

APPENDIX C
COST PROPOSAL
(All Inclusive)

Vendor Name: _____

FISCAL YEAR 2016

	Hours	Hourly Rate	Total
Partners		\$	\$
Managers			
Supervisory Staff			
Audit Seniors			
Other (Specify Position)			
Total Maximum Fee		\$	\$

FISCAL YEAR 2017

	Hours	Hourly Rate	Total
Partners		\$	\$
Managers			
Supervisory Staff			
Audit Seniors			
Other (Specify Position)			
Total Maximum Fee		\$	\$

FISCAL YEAR 2018

	Hours	Hourly Rate	Total
Partners		\$	\$
Managers			
Supervisory Staff			
Audit Seniors			
Other (Specify Position)			
Total Maximum Fee		\$	\$

GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)

1. Awards will be made in the best interest of the State of West Virginia.
2. The Authority may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the West Virginia Code and the Legislative Rules of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125.00 registration fee.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the West Virginia Code.
7. Vendor preference will be granted upon written request in accordance with the West Virginia Code.
8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
10. The laws of the State of West Virginia and the Legislative Rules shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
12. BANKRUPTCY: In the event the vendor/contractor files for bankruptcy protection, this Contract may be deemed null and void, and terminated without further order.
13. HIPAA Business Associate Addendum - The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Authority.
 2. SPECIFICATIONS: Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as EQUAL to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Director may waive minor deviations to specifications.
 3. Complete all sections of the quotation form.
 4. Unit prices shall prevail in cases of discrepancy.
 5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
 6. BID SUBMISSION: All quotations must be delivered by the bidder to the office listed prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications.
- Rev. 9/25/07*

WV PARKWAYS AUTHORITY
Purchasing Department

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

MANDATE: Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

EXCEPTION: The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: _____

Authorized Signature: _____ Date: _____

State of _____

County of _____, to-wit:

Taken, subscribed, and sworn to before me this ____ day of _____, 20__.

My Commission expires _____, 20__.

AFFIX SEAL HERE

NOTARY PUBLIC _____

Purchasing Affidavit (Revised 08/01/2015)

State of West Virginia
VENDOR PREFERENCE CERTIFICATE

Certification and application is hereby made for Preference in accordance with **West Virginia Code**, §5A-3-37. (Does not apply to construction contracts). **West Virginia Code**, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the **West Virginia Code**. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Vendor Preference, if applicable.

1. **Application is made for 2.5% vendor preference for the reason checked:**
____ Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
____ Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or** 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
____ Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; **or**,
2. **Application is made for 2.5% vendor preference for the reason checked:**
____ Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,
3. **Application is made for 2.5% vendor preference for the reason checked:**
____ Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,
4. **Application is made for 5% vendor preference for the reason checked:**
____ Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; **or**,
5. **Application is made for 3.5% vendor preference who is a veteran for the reason checked:**
____ Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; **or**,
6. **Application is made for 3.5% vendor preference who is a veteran for the reason checked:**
____ Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.
7. **Application is made for preference as a non-resident small, women- and minority-owned business, in accordance with West Virginia Code §5A-3-59 and West Virginia Code of State Rules.**
____ Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: _____ Signed: _____
Date: _____ Title: _____